The Failures of Capitalism Pt.1

Defining What It Means for a System to “Work”

A clarification by Voxx Belial

Introduction

Before evaluating capitalism—or any economic system—it is necessary to clarify what is meant when people say a system "works."

Claims that capitalism "works" are common, but they often rely on vague or unspoken assumptions: **economic growth, profitability, or personal success.** Without a clear definition, debates about capitalism become circular, with each side using different standards of evaluation.

A system cannot be evaluated solely on the basis of outcomes that benefit a **narrow segment of the population**, nor can it be judged only by abstract metrics divorced from lived reality. To say that a system "works" must mean more than the fact that it produces wealth, maintains order, or **persists** over time. Endurance alone does not imply functionality, and productivity does not automatically translate into well-being. Instead, a working system must be examined in terms of how it structures human life: how it allocates resources, distributes power, shapes incentives, and constrains or expands **human capacities.**

This project begins by establishing a functional definition of what it means for a social and economic system to work. Only after defining these criteria can capitalism be meaningfully assessed. By grounding the discussion in clearly defined criteria rather than ideological assumptions, this document aims to move the analysis of capitalism away from slogans and toward material, historical, and structural evaluation. Only through this lens can we determine whether capitalism truly functions as a viable social and economic system—or whether its persistence masks fundamental and systemic failure.

The Problem with Common Definitions of "Works"

When defenders of capitalism claim the system works, they typically point to outcomes such as GDP growth, market expansion, wealth creation, or technical innovation. While these outcomes describe certain **system outputs**, they do not address whether the system functions well for **all** human beings.

A system can produce large quantities of goods and wealth while simultaneously:

- Failing to meet basic human needs
- Generating widespread insecurity
- Requiring coercion to sustain participation

Therefore, **production alone is an insufficient metric for determining whether a system works.** A meaningful definition of functionality must account for how outcomes are distributed, how participation is enforced, and whether the system serves human well-being rather than subordinating it to growth for its own sake. Furthermore, systems that rely on **coercion**—whether through **economic necessity, debt, or the monopolization of resources**—cannot be said to function freely or voluntarily. The presence of choice within constrained conditions does not negate coercion; it merely disguises it.

It is my belief that the definitions of both **choice** and **voluntariness** mean something drastically different to a supporter of capitalism as opposed to their true legal and philosophical definitions.

A Functional Definition of a “Working System”

For the purposes of this document, a social and economic system can be said to work if it meets the following criteria.

These criteria are descriptive and functional, avoiding moralizations, and keeping to a materialist understanding of the topic.

1. Sustains Human Life

A working system must reliably provide the material conditions necessary for survival. This includes consistent access to **food, clean water, shelter, healthcare**, and other basic necessities required to maintain physical well-being. A system that produces abundance in aggregate but fails to ensure access to these necessities for large segments of the population cannot be said to function adequately. Reliability is essential. Survival cannot be contingent on constant instability, market fluctuations, or the threat of sudden deprivation. If access to basic needs is **conditional, precarious, or dependent on continuous compliance** under threat of loss, the system fails at the most elementary level of functionality.

Importantly, this criterion does not require that all outcomes be equal, nor does it impose an ideal standard of comfort. It simply establishes that a system must prevent **avoidable deprivation** and ensure that human life is **materially sustainable** within its structure. If a system cannot meet this minimum condition, no further claims about efficiency, growth, or innovation can compensate for that failure.

2. Minimizes Preventable Suffering

Not all suffering can be eliminated. However, suffering that is **predictable, systemic, and reproducible** counts against the system if it is not strictly necessary.

This distinction is essential because it separates unavoidable hardship from harm generated by the organization of the system itself. Natural constraints—such as biological vulnerability, illness, or environmental limits—impose forms of suffering that no social arrangement can fully eliminate. A working system is therefore not defined by the absence of suffering, but by its ability to recognize, **anticipate, and reduce** forms of harm that are foreseeable and within human capacity to address.

The key distinction is whether suffering arises from **unavoidable natural constraints** or from **institutional design**. When hunger, homelessness, or medical neglect persist despite the existence of sufficient resources, productive capacity, and technical means to prevent them, their cause is structural rather than accidental.

In these cases, suffering is not an anomalous failure or temporary breakdown but a consistent outcome of how resources are allocated and access is regulated. When the same forms of deprivation repeatedly affect the same populations across time and geography, this indicates that suffering is being produced and reproduced by the system's underlying mechanisms.

A functional system must therefore be evaluated by its ability to **reduce preventable harm** once the means to do so exist. If

institutions tolerate or rely upon ongoing deprivation as a method of **discipline, incentive, or exclusion**, the resulting suffering reflects a failure of system design rather than an unavoidable limitation of reality. This criterion does not rely on moral judgment. It simply recognizes that a system capable of reducing predictable and avoidable suffering, yet structured in a way that perpetuates it, cannot be said to function effectively in relation to human well-being.

3. Enables the Development of Human Capacities

Human beings possess a wide range of **capacities**, including creativity, cooperation, sociality, autonomy, and problem-solving. A working system allows these capacities to develop rather than systematically suppressing them.

Human capacities are **not fixed traits** that manifest independently of material conditions. They emerge, atrophy, or are redirected depending on the structures people must operate within. Systems shape which capacities are rewarded, which are discouraged, and which are rendered inaccessible altogether. A functional system is therefore one that organizes social life in a way that enables the broad development of these capacities across the population.

When individuals are given stability, access to resources, and meaningful control over their activity, capacities such as creativity and cooperation tend to **expand**. Conversely, when survival depends on obedience, overwork, or submission to arbitrary authority, human capacities are **constrained** rather than organized.

In such conditions, autonomy is replaced by compliance, problem-solving is narrowed to meeting imposed demands, and sociality is often reduced to **competition** rather than **collaboration**. The suppression of capacities in this manner is not incidental; it follows directly from systems that prioritize control, efficiency, or accumulation over human development.

This criterion does not assume that all individuals must express their capacities in the same way, nor does it imply that every capacity must be maximized at all times. It simply establishes that a working system should not require the systematic limitation of human potential in order to sustain itself.

4. Reproduces Itself Without Constant Coercion

A functioning system should not require continuous external pressure to maintain participation.

For a system to be considered self-sustaining, participation must arise primarily from its ability to meet human needs and organize social life in a way that people can reasonably continue within. When participation is secured mainly through threats or structural penalties rather than through material viability, the system's stability depends on enforcement rather than functionality.

Indicators of coercion-dependence include conditions in which non-participation predictably results in starvation, homelessness,

unpayable debt, or exposure to punitive institutions such as policing and incarceration. In these cases, individuals are not meaningfully choosing to participate; they are complying in order to avoid severe harm.

When access to food, shelter, or healthcare is **contingent** on **submission** to specific economic roles, participation becomes compulsory in practice even if it is nominally voluntary in form. Debt-based survival further entrenches this dynamic by binding individuals to ongoing participation under threat of escalating punishment and **deprivation**. If people participate primarily because non-participation leads to severe suffering, the system is not self-sustaining—it is **enforced**.

This criterion does not imply that all forms of obligation or coordination constitute coercion. Rather, it distinguishes between systems that reproduce themselves because they are materially viable for the majority and systems that persist only by maintaining conditions of constant vulnerability. A system that must continuously threaten **deprivation** to ensure compliance reveals a fundamental failure to align its structure with human needs and capacities.

5. Produces Outcomes Proportionate to Social Contribution

This criterion does not require perfect equality. However, a working system must ensure that **socially necessary labor** is not rendered impoverished or disposable, and that extreme wealth accumulation is not detached from actual contribution to collective production and social functioning.

Every society depends on forms of labor that are essential to its continued operation, including the production of food, the maintenance of infrastructure, caregiving, healthcare, sanitation, and logistics. When those performing this necessary labor experience chronic insecurity, poverty, or disposability, the system fails to align material outcomes with social function. At the same time, a functional system must limit the degree to which income and power can accumulate **independently** of **contribution**. When individuals or entities are able to extract vast wealth primarily through ownership, speculation, or positional advantage rather than productive or socially necessary activity, material outcomes become disconnected from social value.

When income and power are radically disconnected from the social value of work performed, the system exhibits structural imbalance. Such imbalance is not merely unequal; it undermines the system's internal coherence. If those who contribute most to social reproduction are deprived of stability while those who contribute least exercise disproportionate control, the system

incentivizes extraction over contribution and weakens its own productive foundations.

This criterion does not imply uniform compensation or identical outcomes. It simply establishes that a working system must maintain a coherent relationship between what people contribute to society and the material conditions they are able to secure within it.

6. Adapts Without Human Collapse

A working system must be capable of responding to major challenges—such as environmental crises, technological change, and public health emergencies—without producing mass suffering, authoritarianism, or systemic collapse.

No social or economic system exists in a **static** environment. Change is inevitable, whether driven by ecological limits, scientific and technological development, demographic shifts, or unforeseen global disruptions. A functional system must therefore be able to absorb and respond to such pressures while maintaining the material conditions necessary for human survival and social stability.

When adaptation is achieved only by **intensifying exploitation**, withdrawing access to basic needs, or concentrating power in fewer hands, the system's apparent flexibility comes at the cost of

human well-being. In these cases, crises are managed not through collective coordination and resilience, but through austerity, repression, or abandonment of vulnerable populations.

A system that becomes unstable whenever profits are threatened is brittle rather than resilient.

True resilience requires that a system prioritize continuity of life and social function over the preservation of abstract economic indicators. If the suspension of profit flows leads to immediate deprivation, mass unemployment, or political authoritarianism, this indicates that the system lacks adaptive capacity at the level of human needs. This criterion does not demand perfect foresight or flawless crisis management. It simply establishes that a working system must be able to change and reorganize in response to external shocks without collapsing into widespread suffering or coercive control.

Conclusion: Why This Definition Matters

By defining what it means for a system to work, this project avoids moral accusation and instead focuses on outcomes and structure.

Rather than debating intentions, values, or ideological commitments, this framework evaluates systems based on how they function in practice. It asks not what a system promises, but what it consistently produces, for whom, and under what conditions.

The central question is not whether capitalism produces wealth, but whether it sustains human life, minimizes unnecessary and preventable suffering, enables the development of human capacities, functions without reliance on coercion, produces outcomes proportionate to social contribution, and remains adaptable and stable in the face of crisis and change.

These criteria establish a baseline for functional evaluation. They do not require perfect equality, flawless outcomes, or the elimination of all hardship. They simply define the minimum conditions under which a system can reasonably be said to serve the society that sustains it.

If capitalism fails to meet these criteria consistently and predictably, then its failure is structural rather than incidental.

In that case, harm is not the result of mismanagement, corruption, or deviation from an otherwise functional model. It is the outcome of the system's core mechanisms. Identifying this distinction is essential, because it shifts the discussion from reforming symptoms to questioning the viability of the system itself.

End Part I